be commensurate with the results likely to be achieved.

Profitability of formulators

994. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that his Ministry did not study the profitability of individual formulators according to DPCO 1979;

(b) whether it is also a fact that due to non-study of profitability, most of the provisions of 1979 Drugs Price Control Order have not been implemented, price revisions linked profitability have not been granted and Government are not aware of irregularities/adjustments carried out by producers to depress their profits as well as the drug industry about decline of profit cannot be accepted without knowing the reasons;

(c) whether it is also a fact that his Ministry has proposed abolition of overall profitability; and

(d) if so, in the absence of profitability study, what system has been proposed in the measures to know the cases involving irregularities, adjustments, transfer of pricing, overinvoicing, actual profits and the methods of siphoning of profits by the Drug Industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROLEUM-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) and (b) As a result of study of from 6 returns submitted by various companies, M/s. Warner Hindustan and Infar (India) were found to have exceeded the permissible limits. Necessary action for adjusting the prices of formulations has already been taken.

(c) and (d) New Drug Price Control Order has not yet been announced by the Government.

Regularisation of unauthorised production of formulations

995. SHRI R. SAMBASIVA RAO: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that under para 6.13 of the new measures, his Ministry has proposed to regularise unauthorised production of formulations;

(b) whether it is also a fact that most of the formulations are vitamins preparations, tonics and other non-essential and useless medicines;

(c) if so, what are the names of those medicines which fall under categories III and IV of Drugs Price Control Order, 1979;

(d) what was the sales turn over of such products, of each company whose production is being regularised.

(e) what are the reasons for general regularisation of unauthorised production;

(f) whether it is also a fact that no study of individual cases has been done before such regularisation; and

(g) the names of bulk drugs for which unauthorised production is regularised alongwith category and production of each during the last three years, yearwise?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) Such details are not available with this Department.

(e) and (f) An Inter-Ministerial Working Group was set up in 1982 to examine the question relating to production of drugs without valid industrial approvals and to suggest possible line of action that may be taken. Details of measures for rationalisation, quality control and growth of pharmaceutical industry of India, giving rationale of each of the decision have